

Appliqate Inc.
Statement of Operations
For the Quarter ended July 31, 2021

	Notes	For the Quarter ended October 31, 2020	For the Quarter ended January 31, 2021	For the Quarter ended April 30, 2021	For the Quarter ended July 31, 2021
Revenue		-	-	-	13,066
Cost of revenue		-	-	-	16,806
Gross profit		-	-	-	(3,740)
Operating expenses	9	(27,790)	(29,740)	(22,964)	(100,508)
Profit / (loss) before other expenses		(27,790)	(29,740)	(22,964)	(104,248)
Acquisition Related Expenses (Income)		-	2,330	-	-
Interest expense		(812)	(1,213)	(1,247)	(1,257)
Loss before income taxes		(28,602)	(28,623)	(24,211)	(105,505)
Provision for income taxes		-	-	-	-
Net income / (loss)		(28,602)	(28,623)	(24,211)	(105,505)

**Appliqate Inc.
Balance Sheet**

	Notes	As of October 31, 2020 (Unaudited)	As of January 31, 2021 (Unaudited)	As of April 30, 2021 (Unaudited)	As of July 30, 2021 (Unaudited)
ASSETS					
Current Assets					
Cash and cash equivalents	4	123,419	96,010	75,820	50,563
Other current assets		-	-	-	-
Total Current Assets		123,419	96,010	75,820	50,563
Investments	5	3,324,417	4,052,952	4,267,227	4,532,928
Net fixed assets	6	-	-	-	-
Total Assets		3,447,836	4,148,962	4,343,047	4,583,491
EQUITY & LIABILITIES					
Current Liabilities					
Accounts payable and accrued liabilities	7	59,472	784,508	1,019,773	155,955
Total Current Liabilities		59,472	784,508	1,019,773	155,955
Long Term Debt	8	150,812	152,025	153,272	154,529
Total Liabilities		210,284	936,533	1,173,045	310,484
SHAREHOLDER'S EQUITY					
Preferred stock A; \$0.001 par value, 1,000,000 shares authorized		1,000	1,000	1,000	1,000
Common stock (\$.001 par value, 1,000,000,000 shares authorized)		540,540	525,540	525,540	534,111
Additional paid in capital		4,616,161	4,634,660	4,616,444	4,616,444
Accumulated deficit		(1,920,149)	(1,948,771)	(1,972,982)	(878,547)
Total Shareholders' Equity		3,237,552	3,212,429	3,170,002	4,273,008
Total Liabilities and Shareholders' Equity		3,447,836	4,148,962	4,343,047	4,583,491
		-	-	-	0

Appliqate Inc.
Statement of cashflows
For the Quarter ended July 31, 2021

	As of October 31, 2020	As of January 31, 2021	As of April 30, 2021	As of July 31, 2021
Cash flow from operating activities				
(Loss) / profit before income tax	(28,602)	(28,623)	(24,211)	(105,505)
Adjustment for non cash charges and other items:				
Amortization	-			
Contribution of wages, rent and consulting fees to capital	-			
	<u>(28,602)</u>	<u>(28,623)</u>	<u>(24,211)</u>	<u>(105,505)</u>
Changes in operating assets and / or liabilities				
(Decrease) / increase in accounts payable	(1,164,945)	725,036	235,265	78,991
Decrease / (increase) in other current assets	-	-	-	-
	<u>(1,164,945)</u>	<u>725,036</u>	<u>235,265</u>	<u>78,991</u>
Cash flow from operating activities	<u>(1,193,547)</u>	<u>696,413</u>	<u>211,054</u>	<u>(26,514)</u>
Cash flow from investing activities				
Additions in investments	-	(728,535)	(214,275)	-
Additions in property, plant and equipment	-	-	-	-
Cash flow from / (used) in investing activities	-	(728,535)	(214,275)	-
Cash flow from financing activities				
Borrowings during / (repaid) the year	150,812	1,213	1,247	1,257
Proceeds from issuance of common stock and preferred stock	-	(15,000)	-	-
Additional Paid in Capital	1,164,945	18,499	(18,216)	-
Cash flow from financing activities	<u>1,315,757</u>	<u>4,712</u>	<u>(16,969)</u>	<u>1,257</u>
Increase/(decrease) in cash and cash equivalents	<u>122,210</u>	<u>(27,410)</u>	<u>(20,190)</u>	<u>(25,257)</u>
Cash and cash equivalents at beginning of the year	1,209	123,419	96,010	75,820
Cash and cash equivalents at end of the year	<u>123,419</u>	<u>96,010</u>	<u>75,820</u>	<u>50,563</u>

Appliqate Inc.
Statement of Shareholders' Equity

Series A - Preferred Stock		Common Stock		Additonal Paid in capital	Accumulated Profit /	Total
Shares	Par	Shares	Par			
Amount is \$						
1,000,000	1,000	534,111,000	534,111	4,616,444	(878,547)	4,273,008

As at July 31, 2021 (Unaudited)

Profit / (loss) for the period

Preferred stock issued

Common stock issued

Adjustments

Appliqate Inc.
Notes to the Financial Statements
For the Quarter ended July 31, 2021

1. LEGAL STATUS AND OPERATIONS

Appliqate Inc. (The Company) was incorporated in the State of Wyoming on April 29, 2015. The Company is primarily involved in marketing, focusing on text message marketing and loyalty rewards through text marketing. The Company's campaign management business has a SMS expert that assists in the implementation of their marketing campaign, allowing business owners to focus on their business and have an experienced SMS expert run their text marketing campaign.

2. BASIS OF PREPARATION

2.1 Statement of compliance

The accompanying financial statements have been prepared by the Company in conformity with accounting principles generally accepted in the United States of America and pursuant to the rules and regulations of the Securities and Exchange Commission ("SEC") on a going concern. Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States have been condensed or omitted pursuant to such rules and regulations. However, the Company believes that the disclosures are adequate to make the information presented not misleading.

2.2 Accounting Convention

These financial statements have been prepared on the basis of 'historical cost convention using accrual basis of accounting except as otherwise stated in the respective accounting policies notes.

Going concern

The accompanying unaudited financial statements have been prepared on the assumption that the Company will continue as a going concern. However, the Company does not have significant cash or other material assets, nor does it have an established source of revenues sufficient to cover its operating costs and to allow it to continue as a going concern.

2.3 Critical accounting estimates and judgements

The preparation of financial statements in conformity with the approved accounting standards require management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods.

The areas involving higher degree of judgment and complexity, or areas where assumptions and estimates made by the management are significant to the financial statements are as follows:

- i) Useful life of fixed assets

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Income tax

The tax expense for the year comprises of income tax, and is recognized in the statement of earnings. The income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is accounted for using the balance sheet liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred income tax liabilities are recognised for all taxable temporary differences and deferred income tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences and unused tax losses can be utilized. Deferred income tax is calculated at the rates that are expected to apply to the period when the differences are expected to be reversed.

3.2 Accounts payable and accrued liabilities

Liabilities for trade and other amounts payable are carried at cost, which is the fair value of the consideration to be paid in future for goods and services received, whether or not billed to the Company.

3.3 Provisions

A provision is recognized in the financial statements when the Company has a legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation.

3.4 Accounts Receivable

Accounts receivable are non-interest bearing obligations due under normal course of business. The management reviews accounts receivable on a monthly basis to determine if any receivables will be potentially uncollectible. Historical bad debts and current economic trends are used in evaluating the allowance for doubtful accounts. The Company includes any accounts receivable balances that are determined to be uncollectible in its overall allowance for doubtful accounts. After all attempts to collect a receivable have failed, the receivable is written off against the allowance. Based on the information available, the Company believes its allowance for doubtful accounts as of period ended is adequate.

3.5 Contingent liabilities

A contingent liability is disclosed when the Company has a possible obligation as a result of past events, the existence of which will be confirmed only by the occurrence or non-occurrence, of one or more uncertain future events, not wholly within the control of the Company; or when the Company has a present legal or constructive obligation, that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

3.6 Property, plant and equipment

These are stated at cost less accumulated depreciation, government grants and impairment charges, if any. Freehold land is stated at cost. Cost in relation to operating fixed assets comprises of acquisition and other directly attributable costs. Software that is embedded or integral to the functionality of the related equipment is capitalized as part of the cost of that asset.

Depreciation is charged to income applying the straight line method at the rates as determined by the management whereby the cost of an asset is written-off over its estimated useful life, taking into account any expected residual value. Depreciation on additions is charged when it is available for use till disposal.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on de-recognition of the assets (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognized.

The cost of replacing part of an item of operating fixed assets is recognized in the carrying amount of the item if it is probable the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The cost of the day-to-day servicing of operating fixed assets are recognized in the statement of profit or loss as incurred.

Useful lives are determined by the management based on the expected usage of an asset, expected physical wear and tear, technical and commercial obsolescence, legal and similar limits on the use of assets and other similar factors.

The assets' residual values, useful lives and methods are reviewed, and adjusted if appropriate, at each financial year end. The effects of adjustments to residual values, useful lives and methods are recognized prospectively as a change in accounting estimates.

The carrying values of operating fixed assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amounts, the assets or cash-generating units are written down to their recoverable amount.

The recoverable amount of the operating fixed assets is the greater of fair value less cost to sell and value-in-use. In assessing value-in-use, the estimated future cash flows are discounted to their present value, using incremental borrowing rate that reflects current market assessment of the time value of money and the risks specific to the assets. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs. Impairment losses are recognized in the statement of profit or loss in respective line items.

3.7 Financial liabilities

Financial liabilities are recognized when the Company becomes party to the contractual provision of the instruments and the Company loses control of the contractual right that comprise the financial liability when the obligation specified in the contract is discharged, cancelled or expired. The Company classifies its financial liabilities in two categories: at fair value through profit or loss and financial liabilities measured at amortized cost. The classification depends on the purpose for which the financial liabilities were incurred. Management determines the classification of its financial liabilities at initial recognition.

(a) *Financial liabilities at fair value through profit or loss*

Financial liabilities at fair value through profit or loss are financial liabilities held for trading. A financial liability is classified in this category if incurred principally for the purpose of trading or payment in the short-term. Derivatives (if any) are also categorized as held for trading unless they are designated as hedges.

(b) *Financial liabilities measured at amortized cost*

These are non-derivative financial liabilities with fixed or determinable payments that are not quoted in an active market. These are recognized initially at fair value, net of transaction costs incurred and are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the profit and loss account.

3.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks. For the purpose of the statement of cash flows, cash and cash equivalents bank balances and short term highly liquid investments subject to an insignificant risk of changes in value and with maturities of less than three months.

3.9 Revenue recognition

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable for goods sold or services rendered, net of discounts and sales tax and is recognised when significant risks and rewards are transferred.

3.10 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates. The financial statements are presented in US (Dollars) which is the Company's presentation currency. All financial information presented in US Dollars has been rounded to the nearest dollar unless otherwise stated.

3.11 Foreign currency transactions

Foreign currency transactions are translated into the functional currency using the exchange rate prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into functional currency using the exchange rate prevailing at the statement of financial position date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates are recognized in the statement of operations.

3.12 Contingencies

The assessment of the contingencies inherently involves the exercise of significant judgment as the outcome of the future events cannot be predicted with certainty. The Company, based on the availability of the latest information, estimates the value of contingent assets and liabilities, which may differ on the occurrence / non-occurrence of the uncertain future event(s).

	Oct-20	Jan-21	Apr-21	Jul-21
	Amount in \$	Amount in \$	Amount in \$	Amount in \$
4 Cash	123,419	96,010	75,820	50,563
This represent cash in hand and cash deposited in bank accounts (current) by the Company.				
5 Investments				
Investment in minority position in DocLock and GPS Cash	3,324,417	3,324,417	3,324,417	3,324,417
Investment in Elev 8 Inc	-	728,535	942,810	1,208,511
Closing Balance	<u>3,324,417</u>	<u>4,052,952</u>	<u>4,267,227</u>	<u>4,532,928</u>
6 Net fixed assets				
Opening balance	-	-	-	-
Add: Additions during the period	-	-	-	-
Less: Amortization during the period	-	-	-	-
Closing balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
7 Accounts payable and accrued liabilities				
Opening balance	1,224,417	59,472	784,508	1,019,773
Net movement in liabilities during the period	(1,164,945)	725,036	235,265	-929,341
Accrued Expense of CGS				5,523
Salary Payable- CEO				60,000
Closing balance	<u>59,472</u>	<u>784,508</u>	<u>1,019,773</u>	<u>155,955</u>
Reflects the change in market value of shares owed in connection with the investments in GPS Cash and DocLock	59,472	55,973	76,963	90,432
On November 20, 2020 the Company and Elev8 Inc. (Elev8) reached an agreement whereas the Company will acquire 100 percent of the outstanding shares of Elev8 for 8,571,000, or an acquisition value of \$728,535. At this writing no shares have been issued, accordingly this purchase is being treated as a liability and Investment.		728,535	942,810	-
8 Note Payable				
Opening balance	-			
8.1 Add: Additions during the period	150,000	150,812	152,025	153,272
Plus: Deferred Interest	812	1,213	1,247	1,257
Closing balance	<u>150,812</u>	<u>152,025</u>	<u>153,272</u>	<u>154,529</u>
SBA loan of \$150,000, 30 year term, 3.25% interest, first payment due March 2022. Loan executed August 2020. No shares were exchanged in this transaction.				
9 Operating expenses	August, 2020 to October, 2020	1st November, 2020 to 31st January, 2021	1st February 2021 to 30th April, 2021	1st May 2021 to 31st July, 2021
Bank Charges	(100)	-	(92)	(160)
Misc	-	-	-	-
Fees and Subscription	(7,442)	(2,374)	(4,891)	
Courier	-	-	-	
Meals and Entertainment	-	-	-	
Others	(1,259)	(2,056)	(3,046)	(13,468)
Salary				(60,000)
Advertisement	-	-	-	(3,850)
License	-	-	-	(25)
Travel	(923)	(600)	(2,307)	-
Insurance				(176)
Legal and Professional	(2,000)	(9,710)	(204)	(2,306)
Consulting Fees	(16,066)	(15,000)	(10,000)	(20,523)
Other Cash Expense	-	-	(2,424)	
	<u>(27,790)</u>	<u>(29,740)</u>	<u>(22,964)</u>	<u>(100,508)</u>

10 **Contingencies and Commitments**

From time to time, the Company may be involved in litigation relating to claims arising out of operations in the normal course of business. As at the end of current reporting period, there were no pending or threatened lawsuits that could reasonably be expected to have a material effect on the results of operations and there are no proceedings in which any directors, officers or affiliates, or any registered or beneficial stockholder, is an adverse party or has a material interest adverse to the Company's interest.

11 **Other events**

Appliqate Inc entered into a contract to acquire Nineteen (19%) Percent of the Membership Interests in GPS Cash in exchange for 1,266,667 in restricted shares in APQT.

Appliqate Inc entered into a contract to acquire Nineteen (19%) Percent of the Membership Interests in DOCLLOCK, LLC in exchange for 633,000 in restricted shares in APQT.

On November 17th,2020,A Rescission and Mutual release Agreement was entered into Whereas, APQT and NUI are Parties to certain Prior tranaction Pursuant to which NUI acquired or otherwise received shares of common stock of APQT which the transaction did not close in occordance with the terms therof; As a result of the rescission APQT agreed to receive all the shares that were issued in the original transaction. In accordance with the above, 15,000,000 shares of common stock was recinded at a par value of \$15,000 and APIC was adjusted accordingly.

12 **Subsequent Events**

None

13 **Revenue**

	1st August 2020 to 31st Oct 2020	1st November, 2020 to 31st January, 2021	1st February 2021 to 30th April, 2021	1st May 2021 to 31st July, 2021
Income From Services				13066
Total				<u>13066</u>

14 **Cost of Revenue**

	1st August 2020 to 31st Oct 2020	1st November, 2020 to 31st January, 2021	1st February 2021 to 30th April, 2021	1st May 2021 to 31st July, 2021
Conference / Event Expenses	-	-		6279
Consultant Fess	-	-		4840
Fees and Subscription	-	-		3559
Merchant Fees	-	-		829
Travelling Exp	-	-		1300
Total				<u>16806</u>

Chief Executive

Director